

## **IC 20-26-5**

### **Chapter 5. General Powers and Duties**

#### **IC 20-26-5-1**

##### **Power and purpose to conduct various education programs**

Sec. 1. (a) A school corporation shall:

- (1) conduct an educational program for all children who reside within the school corporation in kindergarten and in grades 1 through 12; and
- (2) provide each preschool child with a disability with an appropriate special education as required under IC 20-35-4-9 only if the general assembly appropriates state funds for preschool special education.

(b) A school corporation may:

- (1) conduct an educational program for adults and children at least fourteen (14) years of age who do not attend a program described in subsection (a);
- (2) provide instruction in vocational, industrial, or manual training;
- (3) provide libraries for the schools of the school corporation;
- (4) provide public libraries open and free for the use and benefit of the residents and taxpayers of the school corporation where permitted by law;
- (5) provide vacation school and recreational programs;
- (6) conduct other educational or other activities as are permitted or required to be performed by law by any school corporation; and
- (7) provide a school age child care program that operates during periods when school is in session for students who are enrolled in a half-day kindergarten program.

(c) A school corporation shall develop a written policy that provides for:

- (1) the implementation of a school age child care program for children who attend kindergarten through grade 6 that, at a minimum, operates after the school day and may include periods before school is in session or periods when school is not otherwise in session (commonly referred to as a latch key program) and is offered by the school corporation; or
- (2) the availability of the school corporation's buildings or parts of the school corporation's buildings to conduct the type of program described in subdivision (1) by a nonprofit organization or a for-profit organization.

(d) The written policy required under subsection (c) must address compliance with certain standards of reasonable care for children served by a child care program offered under subsection (c), including:

- (1) requiring the offering entity to acquire a particular amount of liability insurance; and
- (2) establishing maximum adult to child ratios governing the overall supervision of the children served.

If a school corporation implements a child care program as described in subsection (c)(1) or enters into a contract with an entity described in subsection (c)(2) to provide a child care program, the school corporation may not assess a fee for the use of the building, and the contract between the school corporation and the entity providing the program must be in writing. However, the school corporation may assess a fee to reimburse the school corporation for providing security, maintenance, utilities, school personnel, or other costs directly attributable to the use of the building for the program. In addition, if a school corporation offers a child care program as described in subsection (c)(1), the school corporation may assess a fee to cover costs attributable to implementing the program.

(e) The powers under this section are purposes as well as powers.  
*As added by P.L.1-2005, SEC.10.*

## **IC 20-26-5-2**

### **Latch key programs; waiver from state board**

Sec. 2. (a) Notwithstanding section 1 of this chapter, except as provided in subsection (c), a school corporation shall do one (1) of the following:

(1) Conduct a school age child care program (commonly referred to as a latch key program) for children who attend kindergarten through grade 6 that, at a minimum:

(A) operates after the school day and may include periods before school is in session or periods when school is not otherwise in session and is offered by the school corporation; and

(B) is available to all children in the applicable grade levels within the school corporation.

(2) Contract with a nonprofit or for-profit organization to:

(A) conduct the type of program described in subdivision (1); and

(B) use school buildings or parts of school buildings in conducting the program.

A contract entered into under this subdivision must be in writing.

However, a school corporation is not required to conduct the school corporation's child care program or to contract for a child care program for kindergarten students at times when grades 1 through 6 are in session.

(b) A school corporation shall develop a written policy that addresses compliance with certain standards of reasonable care for children served by a child care program required under subsection (a), including the following:

(1) Requiring the offering entity to acquire a particular amount of liability insurance.

(2) Establishing maximum adult to child ratios governing the overall supervision of the children served.

A school corporation may not assess a fee for the use of a building for a child care program required under subsection (a). However, the

school corporation may assess a fee to reimburse the school corporation for providing security, maintenance, utilities, school personnel, or other costs directly attributable to the use of a building for a child care program. If a school corporation conducts a child care program under subsection (a)(1), the school corporation may assess a fee to cover costs attributable to implementing the program.

(c) A school corporation shall receive a waiver from the state board of the requirement under subsection (a) if the school corporation believes that the school corporation would experience an undue hardship due to a low number of eligible children intending to use a child care program, regardless of whether the child care program is conducted by the school corporation or under a contractual agreement. To receive a waiver, the school corporation must include a detailed description of the school corporation's attempt to implement a child care program, including the following:

(1) A description of the steps taken to:

(A) conduct a child care program described in subsection (a)(1); or

(B) actively solicit nonprofit organizations or for-profit organizations to implement a child care program as provided in subsection (a)(2).

(2) Evidence that a request in writing was made to each parent to contact the school corporation to indicate the parent's willingness to use a child care program and documentation of the results received from parents.

*As added by P.L.1-2005, SEC.10.*

### **IC 20-26-5-3**

#### **Latch key programs; required compliance**

Sec. 3. (a) This section applies to a school age child care program (commonly referred to as a latch key program) operated by a nonprofit or for-profit organization under section 1 or 2 of this chapter.

(b) Before awarding a contract to operate a child care program described in subsection (a), a school corporation must comply with IC 5-22-9.

(c) In a request for proposals prepared under subsection (b), a school corporation must require each responding organization to specify the fee schedule the organization proposes to charge parents for the use of the child care program.

(d) An organization that operates a child care program described in subsection (a) must comply with the guidelines developed by the department and the school corporation for child care programs described in subsection (a).

*As added by P.L.1-2005, SEC.10.*

### **IC 20-26-5-4**

#### **Specific powers**

Sec. 4. In carrying out the school purposes of a school corporation, the governing body acting on the school corporation's

behalf has the following specific powers:

(1) In the name of the school corporation, to sue and be sued and to enter into contracts in matters permitted by applicable law.

(2) To take charge of, manage, and conduct the educational affairs of the school corporation and to establish, locate, and provide the necessary schools, school libraries, other libraries where permitted by law, other buildings, facilities, property, and equipment.

(3) To appropriate from the school corporation's general fund an amount, not to exceed the greater of three thousand dollars (\$3,000) per budget year or one dollar (\$1) per pupil, not to exceed twelve thousand five hundred dollars (\$12,500), based on the school corporation's previous year's average daily membership (as defined in IC 21-3-1.6-1.1) to promote the best interests of the school corporation through:

(A) the purchase of meals, decorations, memorabilia, or awards;

(B) provision for expenses incurred in interviewing job applicants; or

(C) developing relations with other governmental units.

(4) To:

(A) Acquire, construct, erect, maintain, hold, and contract for construction, erection, or maintenance of real estate, real estate improvements, or an interest in real estate or real estate improvements, as the governing body considers necessary for school purposes, including buildings, parts of buildings, additions to buildings, rooms, gymnasiums, auditoriums, playgrounds, playing and athletic fields, facilities for physical training, buildings for administrative, office, warehouse, repair activities, or housing school owned buses, landscaping, walks, drives, parking areas, roadways, easements and facilities for power, sewer, water, roadway, access, storm and surface water, drinking water, gas, electricity, other utilities and similar purposes, by purchase, either outright for cash (or under conditional sales or purchase money contracts providing for a retention of a security interest by the seller until payment is made or by notes where the contract, security retention, or note is permitted by applicable law), by exchange, by gift, by devise, by eminent domain, by lease with or without option to purchase, or by lease under IC 21-5-10, IC 21-5-11, or IC 21-5-12.

(B) Repair, remodel, remove, or demolish, or to contract for the repair, remodeling, removal, or demolition of the real estate, real estate improvements, or interest in the real estate or real estate improvements, as the governing body considers necessary for school purposes.

(C) Provide for energy conservation measures through utility energy efficiency programs or under a guaranteed energy

savings contract as described in IC 36-1-12.5.

(5) To acquire personal property or an interest in personal property as the governing body considers necessary for school purposes, including buses, motor vehicles, equipment, apparatus, appliances, books, furniture, and supplies, either by cash purchase or under conditional sales or purchase money contracts providing for a security interest by the seller until payment is made or by notes where the contract, security, retention, or note is permitted by applicable law, by gift, by devise, by loan, or by lease with or without option to purchase and to repair, remodel, remove, relocate, and demolish the personal property. All purchases and contracts delineated under the powers given under subdivision (4) and this subdivision are subject solely to applicable law relating to purchases and contracting by municipal corporations in general and to the supervisory control of state agencies as provided in section 6 of this chapter.

(6) To sell or exchange real or personal property or interest in real or personal property that, in the opinion of the governing body, is not necessary for school purposes, in accordance with IC 20-26-7, to demolish or otherwise dispose of the property if, in the opinion of the governing body, the property is not necessary for school purposes and is worthless, and to pay the expenses for the demolition or disposition.

(7) To lease any school property for a rental that the governing body considers reasonable or to permit the free use of school property for:

(A) civic or public purposes; or

(B) the operation of a school age child care program for children five (5) years of age through fourteen (14) years of age that operates before or after the school day, or both, and during periods when school is not in session;

if the property is not needed for school purposes. Under this subdivision, the governing body may enter into a long term lease with a nonprofit corporation, community service organization, or other governmental entity, if the corporation, organization, or other governmental entity will use the property to be leased for civic or public purposes or for a school age child care program. However, if payment for the property subject to a long term lease is made from money in the school corporation's debt service fund, all proceeds from the long term lease must be deposited in the school corporation's debt service fund so long as payment for the property has not been made. The governing body may, at the governing body's option, use the procedure specified in IC 36-1-11-10 in leasing property under this subdivision.

(8) To:

(A) Employ, contract for, and discharge superintendents, supervisors, principals, teachers, librarians, athletic coaches (whether or not they are otherwise employed by the school

corporation and whether or not they are licensed under IC 20-28-5), business managers, superintendents of buildings and grounds, janitors, engineers, architects, physicians, dentists, nurses, accountants, teacher aides performing noninstructional duties, educational and other professional consultants, data processing and computer service for school purposes, including the making of schedules, the keeping and analyzing of grades and other student data, the keeping and preparing of warrants, payroll, and similar data where approved by the state board of accounts as provided below, and other personnel or services as the governing body considers necessary for school purposes.

(B) Fix and pay the salaries and compensation of persons and services described in this subdivision.

(C) Classify persons or services described in this subdivision and to adopt schedules of salaries or compensation.

(D) Determine the number of the persons or the amount of the services employed or contracted for as provided in this subdivision.

(E) Determine the nature and extent of the duties of the persons.

The compensation, terms of employment, and discharge of teachers are, however, subject to and governed by the laws relating to employment, contracting, compensation, and discharge of teachers. The compensation, terms of employment, and discharge of bus drivers is subject to and governed by laws relating to employment, contracting, compensation, and discharge of bus drivers. The forms and procedures relating to the use of computer and data processing equipment in handling the financial affairs of the school corporation must be submitted to the state board of accounts for approval to the end that the services are used by the school corporation when the governing body determines that it is in the best interest of the school corporation while at the same time providing reasonable accountability for the funds expended.

(9) Notwithstanding the appropriation limitation in subdivision (3), when the governing body by resolution considers a trip by an employee of the school corporation or by a member of the governing body to be in the interest of the school corporation, including attending meetings, conferences, or examining equipment, buildings, and installation in other areas, to permit the employee to be absent in connection with the trip without any loss in pay and to refund to the employee or to the member the employee's or member's reasonable hotel and board bills and necessary transportation expenses. To pay teaching personnel for time spent in sponsoring and working with school related trips or activities.

(10) To transport children to and from school, when in the opinion of the governing body the transportation is necessary, including considerations for the safety of the children and

without regard to the distance the children live from the school, the transportation to be otherwise in accordance with applicable law.

(11) To provide a lunch program for a part or all of the students attending the schools of the school corporation, including the establishment of kitchens, kitchen facilities, kitchen equipment, lunch rooms, the hiring of the necessary personnel to operate the lunch program, and the purchase of material and supplies for the lunch program, charging students for the operational costs of the lunch program, fixing the price per meal or per food item. To operate the lunch program as an extracurricular activity, subject to the supervision of the governing body. To participate in a surplus commodity or lunch aid program.

(12) To purchase textbooks, to furnish textbooks without cost or to rent textbooks to students, to participate in a textbook aid program, all in accordance with applicable law.

(13) To accept students transferred from other school corporations and to transfer students to other school corporations in accordance with applicable law.

(14) To levy taxes, to make budgets, to appropriate funds, and to disburse the money of the school corporation in accordance with applicable law. To borrow money against current tax collections and otherwise to borrow money, in accordance with IC 21-2-21.

(15) To purchase insurance or to establish and maintain a program of self-insurance relating to the liability of the school corporation or the school corporation's employees in connection with motor vehicles or property and for additional coverage to the extent permitted and in accordance with IC 34-13-3-20. To purchase additional insurance or to establish and maintain a program of self-insurance protecting the school corporation and members of the governing body, employees, contractors, or agents of the school corporation from liability, risk, accident, or loss related to school property, school contract, school or school related activity, including the purchase of insurance or the establishment and maintenance of a self-insurance program protecting persons described in this subdivision against false imprisonment, false arrest, libel, or slander for acts committed in the course of the persons' employment, protecting the school corporation for fire and extended coverage and other casualty risks to the extent of replacement cost, loss of use, and other insurable risks relating to property owned, leased, or held by the school corporation. To:

(A) participate in a state employee health plan under IC 5-10-8-6.6;

(B) purchase insurance; or

(C) establish and maintain a program of self-insurance; to benefit school corporation employees, including accident, sickness, health, or dental coverage, provided that a plan of self-insurance must include an aggregate stop-loss provision.

(16) To make all applications, to enter into all contracts, and to sign all documents necessary for the receipt of aid, money, or property from the state government, the federal government, or from any other source.

(17) To defend any member of the governing body or any employee of the school corporation in any suit arising out of the performance of the member's or employee's duties for or employment with, the school corporation, if the governing body by resolution determined that the action was taken in good faith. To save any member or employee harmless from any liability, cost, or damage in connection with the performance, including the payment of legal fees, except where the liability, cost, or damage is predicated on or arises out of the bad faith of the member or employee, or is a claim or judgment based on the member's or employee's malfeasance in office or employment.

(18) To prepare, make, enforce, amend, or repeal rules, regulations, and procedures for the government and management of the schools, property, facilities, and activities of the school corporation, the school corporation's agents, employees, and pupils and for the operation of the governing body, which rules, regulations, and procedures may be designated by an appropriate title such as "policy handbook", "bylaws", or "rules and regulations".

(19) To ratify and approve any action taken by a member of the governing body, an officer of the governing body, or an employee of the school corporation after the action is taken, if the action could have been approved in advance, and in connection with the action to pay the expense or compensation permitted under IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 or any other law.

(20) To exercise any other power and make any expenditure in carrying out the governing body's general powers and purposes provided in this chapter or in carrying out the powers delineated in this section which is reasonable from a business or educational standpoint in carrying out school purposes of the school corporation, including the acquisition of property or the employment or contracting for services, even though the power or expenditure is not specifically set out in this chapter. The specific powers set out in this section do not limit the general grant of powers provided in this chapter except where a limitation is set out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 by specific language or by reference to other law.

*As added by P.L.1-2005, SEC.10.*

## **IC 20-26-5-5**

### **Allocation of no charge or reduced rate tickets**

Sec. 5. A governing body of a school corporation may establish a policy regarding the allocation of tickets to the school corporation's interscholastic athletic events or other school related programs and



activities at no charge or at a reduced rate to groups or individuals designated by the governing body.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-6**

##### **Applicability of laws governing state agencies**

Sec. 6. All powers delegated to the governing body of a school corporation under section 1 or 4 of this chapter are subject to all laws subjecting the school corporation to regulation by a state agency, including the state superintendent, state board of accounts, state police department, fire prevention and building safety commission, department of local government finance, water pollution control board, state school bus committee, state department of health, and any local governmental agency to which the state has been delegated a specific authority in matters other than educational matters and other than finance, including plan commissions, zoning boards, and boards concerned with health and safety.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-7**

##### **Representation of governing body on public boards or commissions**

Sec. 7. Notwithstanding any other statute, the governing body of a school corporation may, by resolution, appoint:

(1) the school corporation's superintendent of schools; or

(2) a person residing within the school corporation's boundaries; to serve on a public board, commission, or public body, including park boards, library boards, tax adjustment boards, or city or county plan commissions, if legislation requires or allows representation on the public board, commission, or body by a member of the governing body, the school corporation's superintendent, or a designated educator.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-8**

##### **Membership in state and national associations of educational nature; participation through representatives**

Sec. 8. (a) The governing body of a school corporation may appropriate necessary funds to provide for membership of the school corporation in state and national associations of an educational nature that have as the associations' purpose the improvement of school governmental operations.

(b) A school corporation may participate through designated representatives in the meetings and activities of the associations. The governing body of the school corporation may appropriate the necessary funds to defray the expenses of the representatives in connection with the meetings and activities.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-9**

##### **Classes or services between state educational institutions and**

**school corporations**

Sec. 9. (a) A school corporation may provide programs, classes, or services to a state educational institution.

(b) A state educational institution may provide programs, classes, or services to a school corporation.

(c) The terms and conditions under which programs, classes, or services are to be provided must be specified in a contract between the state educational institution and the governing body of the school corporation.

*As added by P.L.1-2005, SEC.10.*

**IC 20-26-5-10****Criminal history information policy; adoption; administration; requirements; costs**

Sec. 10. (a) A school corporation, including a school township, shall adopt a policy concerning criminal history information for individuals who:

(1) apply for:

(A) employment with the school corporation; or

(B) employment with an entity with which the school corporation contracts for services;

(2) seek to enter into a contract to provide services to the school corporation; or

(3) are employed by an entity that seeks to enter into a contract to provide services to the school corporation;

if the individuals are likely to have direct, ongoing contact with children within the scope of the individuals' employment.

(b) A school corporation, including a school township, shall administer a policy adopted under this section uniformly for all individuals to whom the policy applies. A policy adopted under this section may require any of the following:

(1) The school corporation, including a school township, may request limited criminal history information concerning each applicant for noncertificated employment or certificated employment from a local or state law enforcement agency before or not later than three (3) months after the applicant's employment by the school corporation.

(2) Each individual hired for noncertificated employment or certificated employment may be required to provide a written consent for the school corporation to request under IC 10-13-3 limited criminal history information or a national criminal history background check concerning the individual before or not later than three (3) months after the individual's employment by the school corporation. The school corporation may require the individual to provide a set of fingerprints and pay any fees required for a national criminal history background check.

(3) Each individual hired for noncertificated employment may be required at the time the individual is hired to submit a certified copy of the individual's limited criminal history (as

defined in IC 10-13-3-11) to the school corporation.

(4) Each individual hired for noncertificated employment may be required at the time the individual is hired to:

(A) submit a request to the Indiana central repository for limited criminal history information under IC 10-13-3;

(B) obtain a copy of the individual's limited criminal history; and

(C) submit to the school corporation the individual's limited criminal history and a document verifying a disposition (as defined in IC 10-13-3-7) that does not appear on the limited criminal history.

(5) Each applicant for noncertificated employment or certificated employment may be required at the time the individual applies to answer questions concerning the individual's limited criminal history. The failure to answer honestly questions asked under this subdivision is grounds for termination of the employee's employment.

(6) Each individual that:

(A) seeks to enter into a contract to provide services to a school corporation; or

(B) is employed by an entity that seeks to enter into a contract with a school corporation;

may be required at the time the contract is formed to comply with the procedures described in subdivisions (2), (4), and (5). An individual who is employed by an entity that seeks to enter into a contract with a school corporation to provide student services in which the entity's employees have direct contact with students in a school based program may be required to provide the consent described in subdivision (2) or the information described in subdivisions (4) and (5) to either the individual's employer or the school corporation. Failure to comply with subdivisions (2), (4), and (5), as required by the school corporation, is grounds for termination of the contract. An entity that enters into a contract with a school corporation to provide student services in which the entity's employees have direct contact with students in a school based program is allowed to obtain limited criminal history information or a national criminal history background check regarding the entity's applicants or employees in the same manner that a school corporation may obtain the information.

(c) If an individual is required to obtain a limited criminal history under this section, the individual is responsible for all costs associated with obtaining the limited criminal history.

(d) Information obtained under this section must be used in accordance with IC 10-13-3-29.

*As added by P.L.1-2005, SEC.10.*

## **IC 20-26-5-11**

### **Use of information; notice of conviction of certain offenses**

Sec. 11. (a) This section applies to:

- (1) a school corporation; and
- (2) an entity:
  - (A) with which the school corporation contracts for services; and
  - (B) that has employees who are likely to have direct, ongoing contact with children within the scope of the employees' employment.

(b) A school corporation or entity may use information obtained under section 10 of this chapter concerning an individual's conviction for one (1) of the following offenses as grounds to not employ or contract with the individual:

- (1) Murder (IC 35-42-1-1).
- (2) Causing suicide (IC 35-42-1-2).
- (3) Assisting suicide (IC 35-42-1-2.5).
- (4) Voluntary manslaughter (IC 35-42-1-3).
- (5) Reckless homicide (IC 35-42-1-5).
- (6) Battery (IC 35-42-2-1) unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.
- (7) Aggravated battery (IC 35-42-2-1.5).
- (8) Kidnapping (IC 35-42-3-2).
- (9) Criminal confinement (IC 35-42-3-3).
- (10) A sex offense under IC 35-42-4.
- (11) Carjacking (IC 35-42-5-2).
- (12) Arson (IC 35-43-1-1), unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.
- (13) Incest (IC 35-46-1-3).
- (14) Neglect of a dependent as a Class B felony (IC 35-46-1-4(b)(2)), unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.
- (15) Child selling (IC 35-46-1-4(d)).
- (16) Contributing to the delinquency of a minor (IC 35-46-1-8), unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.
- (17) An offense involving a weapon under IC 35-47 or IC 35-47.5, unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.
- (18) An offense relating to controlled substances under IC 35-48-4, unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.
- (19) An offense relating to material or a performance that is harmful to minors or obscene under IC 35-49-3, unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.
- (20) An offense relating to operating a motor vehicle while

intoxicated under IC 9-30-5, unless five (5) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(21) An offense that is substantially equivalent to any of the offenses listed in this subsection in which the judgment of conviction was entered under the law of any other jurisdiction.

(c) An individual employed by a school corporation or an entity described in subsection (a) shall notify the governing body of the school corporation, if during the course of the individual's employment, the individual is convicted in Indiana or another jurisdiction of an offense described in subsection (b).

*As added by P.L.1-2005, SEC.10.*

### **IC 20-26-5-12**

#### **Construction of certain provisions**

Sec. 12. Except for IC 20-26-4-1, IC 20-26-4-4, and IC 20-26-4-5, the powers given each school corporation in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 and the limitations on those powers set out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 may not be construed to limit the authority of the governing body given by any other statute or rule.

*As added by P.L.1-2005, SEC.10.*

### **IC 20-26-5-13**

#### **Supplemental effect of certain provisions**

Sec. 13. Except as provided in section 12 of this chapter, IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 is supplemental to all other statutes and rules. The powers given to any school corporation under IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 are in addition to those given by any other statute or rule and are not subject to any limitations set out in those statutes or to comply with those statutes, except to the extent provided in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 by specific reference to a designated statute or the statute or rule relating to a given subject. All statutes in conflict with IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 are repealed to the extent of the conflict.

*As added by P.L.1-2005, SEC.10.*

### **IC 20-26-5-14**

#### **Liberal construction**

Sec. 14. IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 shall be liberally construed to permit the governing body of a school corporation to conduct its affairs in a manner consistent with sound business practice to the ends that the authority of the governing body is clarified and that it is permitted to operate with the maximum efficiency consistent with accountability.

*As added by P.L.1-2005, SEC.10.*

### **IC 20-26-5-15**

**Accounting methods for school lunch program**

Sec. 15. A governing body in operating a school lunch program under section 4(11) of this chapter may use either of the following accounting methods:

- (1) It may supervise and control the program through the school corporation account, establishing a school lunch fund.
- (2) It may cause the program to be operated by the individual schools of the school corporation through the school corporation's extracurricular account or accounts in accordance with IC 20-26-6.

*As added by P.L.1-2005, SEC.10.*

**IC 20-26-5-16****Accounting methods for textbook rental programs**

Sec. 16. (a) A governing body in operating a textbook rental program under IC 20-26-5-4(12) may use either of the following accounting methods:

- (1) The governing body may supervise and control the program through the school corporation account, establishing a textbook rental fund.
- (2) If textbooks have not been purchased and financial commitments or guarantees for the purchases have not been made by the school corporation, the governing body may cause the program to be operated by the individual schools of the school corporation through the school corporation's extracurricular account or accounts in accordance with IC 20-26-6.

(b) If the governing body determines that a hardship exists due to the inability of a student's family to purchase or rent textbooks taking into consideration the income of the family and the demands on the family, it may furnish textbooks to such students without charge, without reference to the application of any other statute or rule except IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21.

*As added by P.L.1-2005, SEC.10.*

**IC 20-26-5-17****School lunch fund and textbook rental fund**

Sec. 17. (a) If a school lunch fund is established under section 15 of this chapter and a textbook rental fund is established under section 16 of this chapter, the receipts and expenditures from a fund for the program to which the fund relates shall be made to and from the fund without appropriation or the application of other statutes and rules relating to the budgets of municipal corporations.

(b) If either the lunch program or textbook rental program is handled through the extracurricular account, the governing body of the school corporation shall approve the amount of the bond of the treasurer of the extracurricular account in an amount considered by it sufficient to protect the account for all funds coming into the hands of the treasurer of the account.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-18**

##### **Authority to join regional school study councils**

Sec. 18. For purposes of IC 20-26-5-1 and under the powers of IC 20-26-5-4(20), the governing body of any school corporation may join and associate with groups of other school corporations within Indiana in regional school study councils to examine common school problems and exchange educational information of mutual benefit, and dues to the study councils shall be paid by the school corporation from the general fund.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-19**

##### **Distribution of payroll based on contractual and salary schedule commitments**

Sec. 19. A governing body under its powers to fix and pay the salaries and compensation of employees of the school corporation and to contract for services under IC 20-26-5-4(8) may distribute payroll based on contractual and salary schedule commitments instead of payroll estimates approved in advance by the governing body.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-20**

##### **Use of school facilities; fees**

Sec. 20. The governing body of any school corporation may permit any of its facilities to be used by any person in situations and at times that do not interfere with use of the facility for school purposes, as for example:

- (1) use of a swimming pool or other athletic facility; or
- (2) use of classrooms or other space in a school for purposes of school age childcare;

and may incur any necessary expense in the use or operation of the facility. The governing body may set up and charge a schedule of fees for admission to or use of any facility outside the school corporation's regular school program. Fees shall be deposited in the general fund or the special school fund of the school corporation.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-21**

##### **Donation of proceeds from riverboat gaming**

Sec. 21. (a) As used in this section, "public school endowment corporation" means a corporation that is:

- (1) organized under the Indiana Nonprofit Corporation Act of 1991 (IC 23-17);
- (2) organized exclusively for educational, charitable, and scientific purposes; and
- (3) formed to provide educational resources to:
  - (A) a particular school corporation or school corporations;

or

(B) the schools in a particular geographic area.

(b) As used in this section, "proceeds from riverboat gaming" means tax revenue received by a political subdivision under IC 4-33-12-6, IC 4-33-13, or an agreement to share a city's or county's part of the tax revenue.

(c) As used in this section, "political subdivision" has the meaning set forth in IC 36-1-2-13.

(d) A political subdivision may donate proceeds from riverboat gaming to a public school endowment corporation under the following conditions:

(1) The public school endowment corporation retains all rights to the donation, including investment powers.

(2) The public school endowment corporation agrees to return the donation to the political subdivision if the corporation:

(A) loses the corporation's status as a public charitable organization;

(B) is liquidated; or

(C) violates any condition of the endowment set by the fiscal body of the political subdivision.

(e) A public school endowment corporation may distribute both principal and income.

*As added by P.L.1-2005, SEC.10.*

## **IC 20-26-5-22**

### **Donation of funds to a charitable nonprofit community foundation**

Sec. 22. (a) The governing body of a school corporation may donate the proceeds of a grant, a gift, a donation, an endowment, a bequest, a trust, or an agreement to share tax revenue received by a city or county under IC 4-33-12-6 or IC 4-33-13, or other funds not generated from taxes levied by the school corporation, to a foundation under the following conditions:

(1) The foundation is a charitable nonprofit community foundation.

(2) The foundation retains all rights to the donation, including investment powers, except as provided in subdivision (3).

(3) The foundation agrees to do the following:

(A) Hold the donation as a permanent endowment.

(B) Distribute the income from the donation only to the school corporation as directed by resolution of the governing body of the school corporation.

(C) Return the donation to the general fund of the school corporation if the foundation:

(i) loses the foundation's status as a public charitable organization;

(ii) is liquidated; or

(iii) violates any condition of the endowment set by the governing body of the school corporation.

(b) A school corporation may use income received under this section from a community foundation only for purposes of the school



corporation.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-22.5**

##### **Public school foundations**

Sec. 22.5. (a) A school corporation may participate in the establishment of a public school foundation.

(b) The governing body of a school corporation may receive the proceeds of a grant, a restricted gift, an unrestricted gift, a donation, an endowment, a bequest, a trust, an agreement to share tax revenue received by a city or county under IC 4-33-12-6 or IC 4-33-13, or other funds not generated from taxes levied by the school corporation to create a foundation under the following conditions:

(1) The foundation is:

(A) exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and

(B) organized as an Indiana nonprofit corporation for the purposes of providing educational funds for scholarships, teacher education, capital programs, and special programs for school corporations.

(2) Except as provided in subdivision (3), the foundation retains all rights to a donation, including investment powers. The foundation may hold a donation as a permanent endowment.

(3) The foundation agrees to do the following:

(A) Distribute the income from a donation only to the school corporation.

(B) Return a donation to the general fund of the school corporation if the foundation:

(i) loses the foundation's status as a foundation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code;

(ii) is liquidated; or

(iii) violates any condition set forth in this subdivision.

(c) A school corporation may use the proceeds received under this section from a foundation only for educational purposes of the school corporation described in subsection (b)(1)(B).

(d) The governing body of the school corporation may appoint members to the foundation.

(e) The treasurer of the governing body of the school corporation may serve as the treasurer of the foundation.

*As added by P.L.214-2005, SEC.64.*

#### **IC 20-26-5-23**

##### **Authorization to enter into agreements concerning student teacher training**

Sec. 23. Public school corporations may enter into agreements with institutions of higher education to provide teaching experience for students of the institutions preparing for the educational profession and for the services of persons working jointly for the school corporation and an institution.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-24**

##### **Contents of student teacher training agreement**

Sec. 24. (a) An agreement under section 23 of this chapter must set out the responsibilities and rights of the public school corporations, the institutions, and the students or persons who supervise the students and who are working jointly for a school corporation and an institution.

(b) An agreement must contain:

(1) a provision for the payment of an honorarium for consulting services by the institution of higher education directly to the supervisor; and

(2) a provision that, if the sum paid by the institution to the supervisor should ever be lawfully determined to be a wage rather than an honorarium by an instrumentality of the United States, then the institution of higher education shall be considered under the agreement to be the supervisor's part-time employer.

(c) The provisions required by subsection (b) must be included in an agreement entered into or renewed under this chapter after June 30, 1981. Public school corporations and institutions of higher education shall revise agreements in effect on July 1, 1981, to include the provisions required by subsection (b).

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-25**

##### **Authority to establish and operate free public library**

Sec. 25. In cities and incorporated towns, a governing body may establish a free public library in connection with the common schools for:

(1) the care, protection, and operation of the library;

(2) the care of books and other materials; and

(3) borrowing and returning books and other materials and penalties for any violations.

However, in any city or incorporated town where there is established a library open to all the people, a tax may not be levied.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-26**

##### **Tax levy; power to disburse funds**

Sec. 26. The governing body may levy a tax of not more than one tenth cent (\$0.001) on each one dollar (\$1) of taxable property assessed for taxation in a city or incorporated town in each year. The tax shall be placed on the tax duplicate of the city or incorporated town and collected in the same manner as other taxes. The taxes shall be paid to the governing body for the support and maintenance of the public library. The governing body may use tax revenues received under this section and gifts, devises, and grants to:

(1) provide suitable facilities for the library;

- (2) purchase books and other materials; and
- (3) hire necessary personnel.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-27**

##### **Acquisition or sale of real property**

Sec. 27. A city or incorporated town in which a free public library is established under this chapter may acquire by purchase or take and hold by gift, grant, or devise any real estate necessary for, or that is donated or devised for, the library. Any revenue derived from the real property shall be used for the library.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-28**

##### **Authority to establish and maintain nursery schools**

Sec. 28. A governing body may establish and maintain nursery schools for the instruction of children less than six (6) years of age. Expenses of operating the nursery schools shall be paid in the same manner as other expenses of the school corporation.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-29**

##### **Funding; state or federal aid**

Sec. 29. A school corporation may establish and maintain nursery schools from the same revenue in the same manner as other grades and departments in the common schools of the school corporation are provided for and may apply for and receive from any state or federal governmental agency any funds as may be made available through the agencies for that purpose.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-5-30**

##### **Maintenance and support of nursery school operated by incorporated association**

Sec. 30. A school corporation may use funds under section 27 of this chapter for the aid, maintenance, and support of nursery schools conducted by an association incorporated to operate a nursery school.

*As added by P.L.1-2005, SEC.10.*